



---

**FOR IMMEDIATE RELEASE**

For more information, contact:  
Mike Gowrylow  
(360) 570-6048

**Governor Signs Bill to Simplify Reseller Permits**

**OLYMPIA, Wash.**, March 19, 2010 – Governor Chris Gregoire has signed legislation that refines the new reseller permit process that exempts businesses from paying sales tax on wholesale purchases they intend to resell.

Among other improvements, SHB 2758 allows wholesalers to electronically verify reseller permits, lets the Department of Revenue automatically issue reseller permits to certain contractors, and extends the duration of those contractor permits from one year to up to two years. The Department requested the legislation with the support of business associations including those representing wholesalers, retailers and contractors.

On Jan. 1, reseller permits replaced the self-issued resale certificates that businesses previously used to buy materials for resale without paying sales tax. Vendors are required to collect sales tax when they sell products to end users. However, some were buying items for their own use without paying tax, costing state and local governments an estimated \$100 million annually. Under the new system, authorized by the Legislature last year, only the Department of Revenue can issue reseller permits and their use is tightly regulated.

More information on the new legislation is available at  
<http://apps.leg.wa.gov/billinfo/summary.aspx?bill=2758&year=2009>.

###